

EXHIBIT A

F O R M

CERTIFICATE OF INCORPORATION
OF
§ *

HOUSING DEVELOPMENT FUND CORPORATION

under Section 402 of the Business Corporation Law and Article XI of the Private Housing Finance Law

The undersigned, acting as incorporator of a corporation under Section 402 of the Business Corporation Law and Article XI of the Private Housing Finance Law, hereby adopts the following Certificate of Incorporation for such Corporation:

I

The name of the corporation is the § HOUSING DEVELOPMENT FUND CORPORATION (referred to in this Certificate as the "Corporation").

II

The Corporation is organized exclusively for the purpose of developing a housing project for persons of low income located at § , New York. The Corporation is empowered to do and perform all acts necessary to accomplish the above mentioned corporate purposes, including, but not limited to: (a) the purchase or lease of real property and the execution of such instruments and undertakings as may be required by any governmental body giving assistance to the Corporation and (b) making available to shareholders of the Corporation apartments, space and facilities located in such property for residential purposes under leases commonly known as proprietary leases. Said proprietary leases provide that shareholders of the Corporation shall be entitled, solely by reason of their ownership of shares of the Corporation, to occupy the aforementioned apartments, space and facilities for residential purposes, pursuant to such proprietary leases.

III

The principal office of the Corporation is to be located in the City of New York, County of § , and State of New York and all meetings of the Board of Directors are to be held in the State of New York.

IV

The Secretary of the State of New York is designated the agent of the Corporation on whom process against the Corporation may be served. The post office address to which the Secretary of State shall mail a copy of any process served against the Corporation is §.

* This symbol will be filled in with the appropriate information on the actual Certificate of Incorporation for your HDFC.

V

The Corporation is authorized to issue only one class of stock. The total number of shares which the Corporation shall have authority to issue is 8 with a par value of One Dollar (\$1.00) per share.

VI

The housing project of the Corporation shall be operated exclusively for the benefit of persons or families who are entitled to occupancy in the housing project by reason of ownership of shares in the Corporation, and the Corporation may issue shares for home owners' purchase notes if the purchase transaction has received the written endorsement of the Commissioner of Housing and Community Renewal of the State of New York and if at least two hundred dollars in money or property is received by the Corporation toward the issuance of such shares.

VII

If the Corporation receives a temporary loan or advance from the Municipal Housing Development Fund, as established by or pursuant to Article XI of the Private Housing Finance Law, it shall be authorized to enter into an agreement ("Regulatory Agreement") with the Department of Housing Preservation and Development of the City of New York ("HPD") providing for the regulation of rents, profits, dividends and the disposition of property or franchises for the term during which the mortgage or advance remains unpaid; and that during the term of a Regulatory Agreement, the property or franchises of the Corporation may be disposed of only with the consent of HPD; and HPD shall have the power, if it determines that any such temporary loan or advance is in jeopardy of not being repaid, or that the proposed housing project for which such temporary loan or advance was made is in jeopardy of not being constructed, to appoint to the Board of Directors of the Corporation as many new directors as will be sufficient to constitute a majority of the Board, and which directors need not be shareholders of the Corporation or meet other qualifications enumerated in the Certificate of Incorporation or the By-Laws of the Corporation.

VIII

Notwithstanding any other provision contained herein, the Corporation is authorized to enter into a contract with the Secretary of the United States Department of Housing and Urban Development (hereinafter referred to as the "Secretary") and shall be bound by the terms thereof to enable the Secretary to carry out the provisions of the National Housing Act and the United States Housing Act of 1937 as amended. Upon execution, the Contract shall be binding upon the Corporation, its successors and assigns, so long as a mortgage is outstanding, unpaid and insured, or held by the Secretary, or any rent subsidy pursuant to the United States Housing Act of 1937 as amended is payable.

IX

All income and earnings of the Corporation shall be used exclusively for corporate purposes, and no part of the net income or net earnings of the Corporation shall inure to the benefit or profit of any private individual, firm, corporation or association.

X

Notwithstanding any other provision contained herein, the following restrictions upon the use and sale of the housing project (the building) as a whole and upon the transfer of shares allocated to individual units shall apply:

- A. For ten years from the date of the conveyance of title to the building to the Corporation by the City of New York:
 1. The building shall provide housing for persons and families of low income as defined in Section 576 of Article XI of the Private Housing Finance Law;
 2. The building shall not be sold or otherwise disposed of without the prior written approval of the Commissioner of HPD.
- B. Within the first two years from the date of the original conveyance by the City to the Corporation, if an individual tenant co-operator sells his or her shares in the Corporation, he or she may retain the following from the sales price:
 1. The original purchase price;
 2. The amount of special assessments for building-wide capital improvements, if any, that the Corporation has levied upon the selling co-operator;
 3. The amount spent for capital improvements to the individual unit that the selling tenant co-operator can document to the satisfaction of the Corporation;
 4. The Corporation will retain the entire balance of the sales price, if any, as a reserve for capital and operating expenses, unless 75 percent of the shareholders approve an allocation of up to 30 percent of the balance to be retained by the selling tenant co-operator.
 5. The Corporation may further limit the portion and amount of the sales price to be retained by selling tenant co-operators as outlined in 3 and 4 by amending its by-laws by vote of 75 per cent of the shareholders and by distributing such amendments in writing to all shareholders.

- C. After two years from the date of the original conveyance by the City, and for the remainder of the ten year period referred to in (A), a selling tenant co-operator may retain the following from the sales price;
1. The original purchase price;
 2. The amount of special assessments for building-wide capital improvements, if any, that the Corporation has levied upon the selling tenant co-operator;
 3. The amount spent for capital improvements to the individual unit that the selling tenant co-operator can document to the Corporation's satisfaction.
 4. From the balance of the sales price, if any, the selling tenant co-operator may retain up to 50 percent. The Corporation will retain at least 50 percent of the balance as a reserve for capital and operating expenses, and may increase its share of the balance by amending its by-laws by vote of 75 percent of the shareholders and by distributing the amendment in writing to all shareholders.
 5. The Corporation may further limit the portion and amount of the sales price to be retained by selling tenant co-operators as outlined in 3 and 4 by amending its by-laws by vote of 75 percent of the shareholders and by distributing such amendments in writing to all shareholders. Any other amendments to the by-laws that change the distribution of the portion or the amount of the sales price between selling tenant co-operators and the Corporation which are not set forth herein will require HPD's approval.
- D. The provisions of Article X as set forth herein may not be altered by the Corporation except as set forth herein, or except as approved by HPD.

XI

At every meeting of the shareholders, each shareholder present, either in person or by proxy, shall have the right to cast only one vote on each question without regard to the number of shares held by the shareholder. No shareholder shall be eligible to vote or to serve on the Board of Directors who is shown on the books or management accounts of the Corporation to be two months delinquent in payments due the Corporation under the Proprietary Lease. The Directors shall be elected by a majority vote of the shareholders of the Corporation.

XII

The Corporation may not be dissolved without the written consent of the Commissioner of HPD. Such consent must be attached

